

City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 6, 2013

TO: MEMBERS OF THE TRANSPORTATION COMMISSION

FROM: SANDRA MARKS, ACTING DEPUTY DIRECTOR, T&ES

SUBJECT: AGENDA ITEM #2 - FUNDING UPDATE & ACTIONS OF MAJOR
TRANSPORTATION BODIES

ISSUE: Update of funding and actions of major transportation bodies.

RECOMMENDATION: That the Transportation Commission receive the report.

DISCUSSION: This memorandum provides a brief update on funding and/or actions of major regional transportation bodies that relate to Alexandria.

General updates on funding related issues of local, regional and national importance are provided below. Attachment 1 is the Commission's regular Monthly Update of Regional Transportation Board Major Actions and Funding.

City: City Council

On February 14, 2013, City Council adopted a resolution giving the City's Purchasing Agent authority to amend Lane Construction Corporation's design/build contract for the Route 1 Transitway. The resolution will allow critical project elements to be included in the contract. The project remains under budget.

State: Commonwealth Transportation Board (CTB)

The State legislature approved a bill modifying Virginia's transportation funding system. The legislation:

- Eliminates the 17.5-cents-per-gallon gasoline tax;
- Imposes a 3.5% tax on gasoline at the wholesale level;
- Increases Virginia's sales tax from 5 to 5.3%;
- Raises the motor vehicle sales tax from 3 to 4.3%;
- Charges a \$100 annual license tax for electric and alternative fuel vehicles;
- Allows a 0.7% sales tax increase in Hampton Roads and Northern Virginia to fund transportation projects there.

Overall, about 21% of statewide transportation funds are expected to go to transit and passenger rail by 2018. The allowance for an additional sales tax increase in Northern Virginia could raise between \$300 and \$350 million per year.

Regional tax revenues will fund the Northern Virginia Transportation Authority. However, jurisdictions that implement the 12.5 cent commercial tax (or an equivalent tax producing the same revenue) would be able to get back 30% of the regional tax revenue. The City would need to increase the 2.2 cent tax to 2.3 cents in order to capture the full 30%.

State: Department of Rail and Public Transportation (DRPT)

The legislature considered bills that would modify the transit funding methodology as proposed by the SJR297 reports. The legislation that passed does not modify the current funding methods, but states that any funds generated by the new state transportation legislation must be governed by performance metrics established by a committee composed of state and industry representatives.

Regional: Transportation Planning Board (TPB) and Northern Virginia Transportation Authority (NVTA), Northern Virginia Transportation Commission (NVTC) , Washington Metropolitan Area Transit Authority (WMATA) and Northern Virginia Regional Commission (NVRC)

Transportation Planning Board (TPB)

At the February 20, 2013 TPB meeting, there was an extensive discussion related to new projects within Northern Virginia which have been added to the FY2013 Constrained Long Range Plan (CLRP) and FY2013-2018 TIP as none of the projects were transit, pedestrian, and bicycle related.

Washington Metropolitan Area Transit Authority (WMATA)

The WMATA Board approved the creation of a reimbursable project to buy six buses, funded by Alexandria, to be used on the Crystal City-Potomac Yard Transitway.

Staff continued to have discussions with WMATA staff concerning the projected Alexandria subsidies for WMATA services in FY2014.

Northern Virginia Transportation Commission (NVTC)

Since the NVTC Board met in Richmond on January 31, 2013, no NVTC Board meeting was held in February, 2013.

Northern Virginia Transportation Authority (NVTA)

The new Virginia transportation funding package will provide funding for NVTA programs.

Federal: Funding Updates and Grant Notices of Awards

Categorical Exclusions and the President's Plan for Infrastructure Spending

FTA published a new rule on February 7, 2013 regarding categorical exclusions which will be permitted in developing required NEPA documents. The President also released a statement on February 20, 2013 regarding his plan to create jobs by investing in infrastructure.